



Telephone 373-8080
Fax 373-5874

HOUSE FISCAL AGENCY

124 N. Capitol Avenue
4 – North, HOB Lansing, MI

HB4720 SUBSTITUTE

H-1

Sponsor: Rep. Jud Gilbert

Committee: LOCAL GOVERNMENT AND
URBAN POLICY

HB4721 SUBSTITUTE

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Sponsor: Rep. Larry DeVuyst

Committee: LOCAL GOVERNMENT AND
URBAN POLICY

HB4722 SUBSTITUTE

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Sponsor: Rep. Ruth Ann Jamnick

Committee: LOCAL GOVERNMENT AND
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Sponsor: Rep. Mike Pumford

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URBAN POLICY

HB4724 SUBSTITUTE

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Sponsor: Rep. Alan Sanborn

Committee: LOCAL GOVERNMENT AND
URBAN POLICY

HB4725 SUBSTITUTE

H-1

Sponsor: Rep. Susan Tabor

Committee: LOCAL GOVERNMENT AND
URBAN POLICY

Analyst(s): Schneider, Bob

Completed: 10/31/01

State Fiscal Impact

Cost: None
Revenues: None

Local Fiscal Impact

Cost: Indeterminate/Increase
Revenues: None

House Bills 4720 through 4725 establish new procedures and/or revise existing procedures regarding annexations and detachments of territory between various types of local units of government. The bill contains a number of provisions which could potentially increase costs to local units of government. These provisions are reviewed below:

1) The bill allow for referendums on proposed annexations in situations where this option is not available in current law. Referendum petitions containing the signatures of at least 25 percent of the registered electors of the township from which land would be annexed could be filed with the county election commission in cases where township territory with 100 or fewer residents was proposed to be annexed to a city or where any township territory was proposed to be annexed to a village. If the petition was deemed legally valid, the annexation would be allowed to occur only if a majority of the electors voting on the issue in the township and in the annexing municipality, voting separately, voted for the annexation. To the extent that this authority is exercised, local costs related to the administration of the required elections could be increased.

2) Detachments from cities or villages to townships would be subject to the approval of a majority of electors in each of the following areas: a) the territory to be detached; b) the remaining portion of the city; and c) the township to which the territory would be attached. As with item 1) above, this provision could increase local election administration costs.

3) Finally, the bill allows townships and municipalities negotiating over an annexation proposal to file a claim in the circuit court asserting the other party failed to negotiate in good faith. The circuit court could provide relief which could include prohibiting the annexation for up to two year or prohibiting a referendum on an annexation. Again, to the extent that this authority is exercised, local legal costs could increase.